

DECISION



THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D.C. 20548

50890

95423

FILE: B-183620

DATE: July 10, 1975

MATTER OF: Pak/Master, Inc.

DIGEST:

Where prices quoted in bid by contractor for additional quantities (contract option) were based upon same unit rates as basic quantities, whereas solicitation indicated that additional rates were to be exclusive of preliminary costs, but contracting officer in making award accepted bidder's quotation which included prices for basic and additional quantities, prices should have been reviewed to ascertain compliance with bidding requirement which would have furnished notice of error; therefore, request for contract adjustment is sustained.

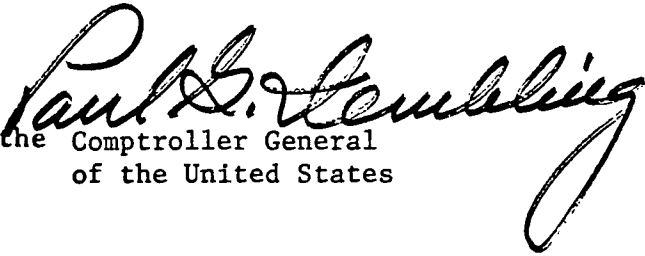
Invitation for bids for Jacket 567-133 was issued by the Government Printing Office for the production of 14,000 each of three separate printed, die-cut/scored mailing boxes, plus 42,000 unprinted die-cut outer shipping containers for the Postal Service. Two bids were received: one for \$24,846.80 from Mack Allied Corp. and the other from Pak/Master, Inc., for \$20,202. The contract was awarded to Pak/Master on February 10, 1975, for delivery on March 28, 1975. After award, Pak/Master alleged that it made an error in bid in that it inadvertently omitted a one-time charge of \$1,473.90 for dies and it requested a contract adjustment for the omission.

With regard to mistakes alleged after the award of a contract, the general rule is that the bidder must bear the consequences of the mistake unless the contracting officer knew or should have known of the probability of mistake at the time the bid was accepted. Wender Presses, Inc. v. United States, 343 F.2d 961 (Ct. Cl. 1965); Saligman v. United States, 56 F. Supp. 505 (E.D. Pa. 1944); and 45 Comp. Gen. 305 (1965).

In this case the contracting officer did not seek verification of Pak/Master's \$20,202 bid because the estimate of the Postal Service was \$20,000. Nevertheless, GPO Counsel contends that the contracting officer was on constructive notice of error, since the prices quoted by Pak/Master for additional quantities, if produced at the same time as the initial order, were based upon the same unit rates as the basic quantities whereas the terms of the solicitation required the exclusion of all preliminary costs from the prices for the additional quantities.

Although no additional quantities have been ordered, it seems clear that those quantities were in the nature of a contract option. Since the contracting officer in making an award accepted the bidder's quotation which included the prices for the basic as well as the additional quantities, the prices should have been reviewed to ascertain compliance with the bidding requirements. Had the rates been compared, the contracting officer would have been on notice of a probability of an error in the bid because of the same unit rates for the basic and additional quantities.

Accordingly, the request for the contract adjustment is sustained.


For the Comptroller General
of the United States